

A meeting of the Federal Reserve Board was held in the office of the Federal Reserve Board on Thursday, June 10, 1926 at 11:15 a.m.

PRESENT: Vice Governor Platt  
Mr. Hamlin  
Mr. Miller  
Mr. James  
Mr. Cunningham  
Mr. Eddy, Secretary  
Mr. McClelland, Asst. Secretary  
PRESENT ALSO: Honorable C. S. Dewey, Assistant  
Secretary of the Treasury.

Mr. Dewey discussed with the Board the circumstances in connection with the Treasury's program at the June 15th quarterly tax payment period which provides for no new financing by the Treasury Department to meet obligations maturing on that date. He stated that this departure from the usual procedure had been made possible on account of an increase in income tax and other receipts of the Treasury over earlier expectations. He stated, however, that at the September tax payment period further refunding would be necessary.

The minutes of the meeting of the Federal Reserve Board held on the morning of June 9th were then read and approved.

Telegram dated June 10th from the Federal Reserve Agent at Chicago, stating he is informed that the Wisconsin Bankers' Association yesterday adopted a resolution requesting discontinuance of the par collection system a copy of which resolution he will forward the Board as soon as secured.

Noted.

Letter dated June 8th from the Chairman of the Federal Reserve Bank of New York, with reference to the acquisition of The City Trust Company of Newark, N. J. by the Fidelity Union Trust Company of that city.

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Noted.

Letter dated June 4th from the Deputy Governor of the Federal Reserve Bank of New York, transmitting and commenting on letter from Mr. Sherrill Smith, Vice President of the Chase National Bank of New York, with reference to the supply of currency necessary to be held at the Havana Agency of the Federal Reserve Bank of Atlanta.

Noted.

Memorandum from Mr. James dated June 5th with reference to telegram addressed to him under date of June 4th by Mr. John K. Ottley, Chairman of a special committee appointed by the Atlanta Clearing House Association to confer with the Federal Reserve Board relative to the consolidation of the Havana Agencies of the Federal Reserve Banks of Boston and Atlanta, setting forth resolutions adopted by the Clearing House Association and requesting a hearing before the Board on the subject; Mr. James in his memorandum submitting the following motion:

"That the Secretary be instructed to acknowledge receipt of the resolutions and request, that the Board consent to the granting of such a hearing before the matter of the consolidation of the Havana Agencies shall be finally acted upon, and that the date for the hearing be left open for the present, but with the understanding that it be fixed later and at such time as the Board finds it convenient and expedient to hold a hearing, to which hearing both the Boston and the Atlanta banks will be invited to attend with such representatives from the banks and the districts as may desire to be heard."

Mr. Platt suggested that in lieu of the action set forth in Mr. James' motion the Board advise Mr. Ottley that it is not yet ready to act upon the matter of consolidating the Havana Agencies of the Federal Reserve

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Banks of Boston and Atlanta, but if there is any occasion in the future his committee will be granted a hearing.

Upon motion by Mr. Hamlin, Mr. Platt's suggestion was unanimously adopted.

At the request of the Vice Governor, Mr. James then reported on behalf of the committee appointed by the Board at the meeting on May 20th to confer with the Secretary of the Treasury, with regard to the attitude of his Department and that of the State Department or the administration toward the possible consolidation of the Cuban agencies. Mr. James stated that the Secretary of the Treasury had been furnished with all information before the Board and that he was inclined to accept the recommendations made by the special committee of the Board which investigated the Cuban situation, including the tentative plan for operating the consolidated agency, although he did not state whether in his opinion the agency should be operated by the Federal Reserve Bank of Boston or the Federal Reserve Bank of Atlanta. Mr. James stated that the Secretary felt, however, that the present was an inopportune time at which to bring up the question and that the committee had, therefore, agreed to let the matter run along without action for the time being. The Secretary had stated, he said, that it was important to continue the agency and that there had been no change in the attitude of the administration regarding its maintenance.

As Mr. Miller is leaving today for a trip abroad, the Vice Governor stated that under the By-laws Mr. Hamlin would serve as the third member of the Executive Committee for the unexpired term of Mr. Miller ending June 30th.

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REPORTS OF STANDING COMMITTEES:

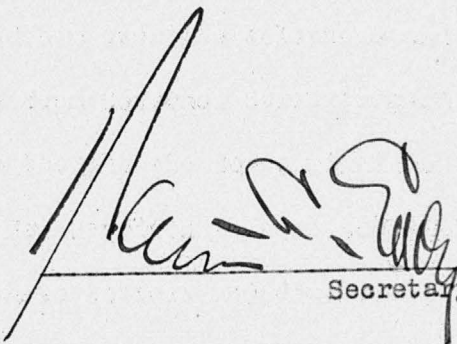
Dated, June 9th, Recommending changes in stock at Federal Reserve Banks as set forth in the Auxiliary Minute Book of this date.

Approved.

Dated, June 8th, Recommending approval of the application of Mr. E. McLain Watters for permission to serve at the same time as officer and director of The Queen Lane National Bank of Germantown, Philadelphia, Pa., and as director of the National Bank of Olney, Philadelphia, Pa.

Approved.

The meeting adjourned at 12:30 p.m.



Secretary.

Approved:

Edmund Platt  
Vice-Governor.